

## Message Text

UNCLASSIFIED

PAGE 01 EC BRU 07634 031842Z

44

ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 STR-04 STRE-00 AGR-10 CEA-01

CIAE-00 COME-00 DODE-00 FRB-01 H-02 INR-07 INT-05

L-03 LAB-04 NSAE-00 NSC-05 PA-02 AID-05 CIEP-02 SS-15

ITC-01 TRSE-00 USIA-15 PRS-01 SP-02 FEAE-00 OMB-01

/106 W

----- 119216

P 031719Z AUG 76

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC PRIORITY 1687

UNCLAS EC BRUSSELS 07634

PASS STR ELECTRONICALLY,PASS AGRICULTURE

E.O. 11652: N/A

TAGS: EAGR,ETRD

SUBJECT: POULTRY- COGNAC

REF: (A) EC BRUSSELS 7545

(B) STATE 189861

THE EC COMMISSION SPOKESMAN MADE AN ORAL STATEMENT TO THE PRESS ON AUGUST 3 IN REGARD TO THE US DECISION TO HOLD HEARINGS ON A CHANGE IN THE COGNAC TARIFF BREAK POINT THE STATEMENT,WHICH WAS NOT AN OFFICIAL STATEMENT BUT WAS RELEASED UNDER THE RULE THAT IT COULD BE ATTRIBUTED TO COMMISSION OFFICIALS,WAS AS FOLLOWS:

BEGIN TEXT " THE COMMISSION'S SERVICES HAVE LEARNED WITH REGRET OF THE DECISION OF THE US AUTHORITIES TO OPEN PUBLIC HEARINGS ON THE QUESTIONOF WHETHER THE PARTIAL NORMALIZATION OF US IMPORT DUTIES ON BRANDY,EFFECTED IN 1974,SHOULD NOW BE RESCINDED,IN VIEW OF WHAT THE US AUTHORITIES SEE AS THE MAINTENANCE BY THE COMMUNITY OF UNREASONABLE RESTRICTIONS ON POULTRY FROM THE US.

THE COMMUNITY HAS NO DEBT TO PAY TO THE UNITED

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 EC BRU 07634 031842Z

STATES IN TERMS OF POULTRY CONCESSIONS AND HAS NEVER BEEN

PARTNER TO ANY ARRANGEMENT UNDER WHICH SUCH CONCESSIONS  
WOULD BE FORTHCOMING IN RETURN FOR THE PARTIAL RESTORATION  
OF THE PRE-CHICKEN WAR US TARIFF RATE FOR BRANDY.

THE COMMISSION'S SERVICES WOULD THEREFORE DEPLORE THE  
RENEWED DELIBERALIZATION OF US IMPORT POLICY FOR COGNAC,A  
UNILATERAL ACT OF AN UNGENEROUS CHARACTER WHICH THE COMMUNITY  
HAS DONE NOTHING TO PROVOKE.

BACKGROUND

IN DECEMBER 1963,AS PART OF WHAT WAS THEN TERMED THE  
"CHICKEN WAR" BETWEEN THE COMMUNITY AND THE UNITED STATES,  
US CUSTOMS DUTY WAS RAISED FROM DOLS 1.25 TO DOLS 5 ON BRANDY  
ENTERING AT F.O.B. PRICES OF MORE THAN DOLS 9 PER PROOF GALLON.  
ON 16 JULY 1974,A PRESIDENTIAL PROCLAMATION EASED THIS  
RESTRICTION BY RAISING THE THRESHOLD PRICE FOR THE HIGHER  
RATE OF DUTY FROM DOLS 9 TO DOLS 17 PER PROOF GALLON (I.E.  
BRANDY ENTERING AT BELOW DOLS 17 PAID THE PRE-DECEMBER 1963  
DUTY OF DOLS 1.25).THIS LIBERALIZATION WAS EFFECTED INTER ALIA  
IN ORDER,IN THE WORDS OF THE PROCLAMATION,TO ENCOURAGE "THE  
RESOLUTION OF OUTSTANDING TRADE DISPUTES BETWEEN THE UNITED  
STATES AND THE EC,INCLUDING THE REMOVAL OF UNREASONABLE  
RESTRICTIONS ON POULTRY FROM THE UNITED STATES MAINTAINED BY  
THE EEC". IT WAS ALSO IN REALITY,HOWEVER,GRANTED  
AGAINST THE BACKGROUND OF THE SUCCESSFUL COMPLETION IN  
1974 OF THE GATT ARTICLE XXIV: 6 NEGOTIATIONS AND IN  
RECOGNITION OF THE CONSIDERABLE COMPENSATORY TARIFF  
ADJUSTMENTS BENEFICIAL TO THE US,WHICH THE COMMUNITY  
HAD MADE FOLLOWING ENLARGEMENT END TEXT

HINTON

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TEXT, PRESS RELEASES, TARIFFS, ALCOHOLIC BEVERAGES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 03 AUG 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976ECBRU07634  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760299-0137  
**From:** EC BRUSSELS  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760893/aaaaddyj.tel  
**Line Count:** 89  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 EC BRUSSELS 7545, 76 STATE 189861  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ellisooob  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 22 JUL 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <22 JUL 2004 by hattaycs>; APPROVED <27 JUL 2004 by ellisooob>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** POULTRY- COGNAC  
**TAGS:** EAGR, ETRD, US  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006